RECENT CASES.

BANKRUPTCY — PROPERTY PASSING TO TRUSTEE — DEEDS WHICH ARE VOID AS TO CREDITORS. — A. conveyed land to B., but the deed was never recorded. Subsequently A. became bankrupt, and his trustee seeks to recover the land. A state statute declares unrecorded deeds to be void against judgment creditors without notice. Under § 8 of the Bankruptcy Act of June 25, 1910, trustees in bankruptcy, "as to all property not in the custody of the bankruptcy court, shall be deemed vested with all the rights, remedies, and powers of a judgment creditor holding an execution duly returned unsatisfied." *Held*, that the trustee cannot prevail. *Sparks* v. *Weatherly*, 58 So. 280 (Ala.).

In spite of the provision of the Act of 1898, § 67a, that "claims which for want of record or for other reasons could not have been valid liens as against the claims of the creditors of the bankrupt shall not be liens against his estate," the cases prior to the passing of the 1910 amendment relegated the trustee in bankruptcy to the shoes of the bankrupt. *York Mfg. Co.* v. *Cassell*, 201 U. S. 344, 26 Sup. Ct. 481; *Crucible Steel Co.* v. *Holt*, 174 Fed. 127. Bankruptcy thus deprived the creditors of rights which personally they could have asserted, and the 1910 amendment was intended to strengthen the position of the trustee. See SENATE REPORT No. 691, 61st Congress, 2d session. The court in the principal case construes the language of the amendment as entitling the trustee to proceed as an individual creditor in subjecting the assets of the bankrupt, and not as a creditor armed with a judgment. In view of the express words of the act, and the intention of Congress, it is submitted that the decision in the principal case wrongly limits the effect of the amendment. *Cf. In re Gehris-Herbine Co.*, 188 Fed. 502; *In re Calhoun Supply Co.*, 189 Fed. 537. See COLLIER, BANKRUPTCY, 9 ed., § 47, II (d).

CARRIERS — DISCRIMINATION AND OVERCHARGE — RIGHT TO EXTEND LONGER CREDIT TO ONE SHIPPER THAN TO ANOTHER. — An indictment charged that the defendant railway company, according to an agreement made at the time of shipment, accepted at the time of the monthly settlement the note of a coal company for part of the freight charges. In transactions with other coal companies the defendant exacted payment in cash at the time of the monthly settlement. *Held*, that the demurrer to the indictment should be overruled. *United States* v. *Hocking Valley Ry. Co.*, 194 Fed. 234.

The court in the principal case finds that the facts charged constitute the offense of discrimination in transportation in violation of the Interstate Commerce Act as amended in 1906. U. S. COMP. STAT., SUPP. 1909, 1153, § 6. Only unjust discriminations are within the meaning of the statute. *Interstate Commerce Commission* v. *Baltimore and Ohio R. Co.*, 145 U. S. 263, 12 Sup. Ct. 844. It is well settled that it is not an unjust discrimination for a carrier to require prepayment of freight received from one connecting carrier while not requiring it when received from another. *Little Rock and Memphis R. Co.* v. *St. Louis S. W. Ry. Co.*, 63 Fed. 775. This doctrine has been applied to a case where prepayment was required from shippers on goods when billed to one consignee and not when billed to others. *Gamble-Robinson Co.* v. *Chicago and N. W. Ry. Co.*, 168 Fed. 161. The scope of this decision was confined by the principal case to cases where requiring prepayment is used as a precaution to insure the payment of the full legal rate. The result reached is very desirable. Extending greater credit to one shipper than to another as in the principal case gives the favored shipper a greater use of the carrier's capital and seems clearly an unjust discrimination.